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TO RUEHC/SECSTATE WASHDC IMMEDIATE 4585
INFO RUCNAFG/AFGHANISTAN COLLECTIVE PRIORITY
RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY
RUEHBUL/AMEMBASSY KABUL PRIORITY 0101
RUEHNO/USMISSION USNATO BRUSSELS BE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 STOCKHOLM 000478

SIPDIS

STATE FOR USAID

E.O. 12958: DECL: 07/30/2019
TAGS: <u>EAID PREL MOPS MARR AF SW</u>

RUEHBS/USEU BRUSSELS PRIORITY

SUBJECT: SWEDISH ASSISTANCE TO AFGHANISTAN TO INCREASE TO

USD 67.1 MILLION BY 2011

¶C. STATE 74362

1D. STOCKHOLM 460 AND PREVIOUS

Classified By: CDA Robert Silverman for reasons 1.4 (b) and (d).

- 11. (C) Summary: Embassy Stockholm has obtained an internal Swedish-language copy of a Swedish Foreign Ministry report on its Afghanistan aid program announced in a July 9 press release but which is still not available to the general public. This is the second in a series of cables detailing this report. Please protect accordingly. Swedish Minister for International Development Cooperation Gunilla Carlsson announced Sweden's new long-term aid strategy for Afghanistan for the period 2009-2013. The new strategy states that Sweden's presence in Afghanistan will be persistent, long-term and well-coordinated, but that it is important not to mix "peace-keeping efforts" with development. Swedish assistance over the nearly five-year period will be as follows:
- 2009: USD 53.3 million
- 2010: USD 56.1 million
- 2011-2013: USD 66.7 million annually.
- ¶2. (C) The new strategy will focus on democracy, human rights, education, private business, capacity building in the legal and security sectors, and improving the situation of women and girls. Sweden will increase its aid efficiency by improving coordination with other donors, conducting better follow-up analyses, and strengthening Afghan ownership and capacity. Carlsson also stated that some 25 percent of the volume will be earmarked for the four northern provinces in Afghanistan where Sweden leads a provincial Reconstruction Team (PRT). Sweden has also decided to increase the number of civilian advisers in the PRT. End Summary.

Challenges in Afghanistan

13. (C) The report states that Sweden's development efforts in Afghanistan are challenged by the international military presence, poor donor coordination, and the abundance of actors in all areas of the country. Sweden believes it is important not to mix peace-keeping efforts with development, a position that the Swedish International Development Cooperation Agency (Sida) has long championed. Sweden considers itself to be a relatively small donor in the overall Afghanistan aid picture, and will therefore seek greater cooperation with other donors through mutual channels and areas where Sweden can provide added value, according to

the new strategy. The government will strive to have a well-coordinated, concentrated aid portfolio in Afghanistan consisting of a few major efforts that can be complemented by smaller, more flexible strategic efforts. Swedish assistance over the nearly five-year period will increase from USD 53.3 million in 2009 to USD 56.1 million in 2010 and then to USD 66.7 million annually from 2011 through 2013.

Increased Aid Efficiency

- 14. (C) On July 9, the Swedish government announced a new long-term aid strategy for Afghanistan. Swedish Minister for International Development Cooperation Gunilla Carlsson told journalists that Swedish development cooperation will focus on democracy and human rights, the education sector and business sector development in the period 2009-2013. Carlsson stressed that Sweden would use every opportunity to improve the situation of women and girls in Afghanistan. She commented that Sweden will increase its aid efficiency by strengthening the roll of the United Nations Assistance Mission in Afghanistan (UNAMA); improving coordination with other donors, conducting better follow-up analyses, and strengthening Afghan ownership and capacity.
- 15. (C) Swedish government assistance seeks to develop the capacity of all local actors, so that Afghanis will be able to continue reform efforts if the international donor community decreases its presence in Afghanistan. Sweden will continue to provide aid through multilateral channels and cooperate with national and local administrations, civil

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society and the private sector. As part of its effort to increase the efficiency of Swedish aid, the government also plans to conduct annual follow-ups and a minimum of one major audit during the five-year period. Sweden plans to intensify its cooperation with the World Bank through the Afghanistan Reconstruction Trust Fund (ARTF) and continue to coordinate with the United Nations Assistance Mission in Afghanistan (UNAMA), UNDP (democratic governance), UNICEF (education), UNIFEM (equality) and UNOPS (transportation). The Swedish government will also try to cooperate more effectively with the other Nordic countries to achieve greater synergies, and would like to increase cooperation with USAID and the European Commission.

Better Donor Coordination

- 16. (C) The Swedish government has singled out "donor crowding," poor coordination, weak Afghan ownership and commitment, as well as fragmented assistance efforts as being the major obstacles to proving effective assistance. Sweden seeks to improve coordination with other donors, including UNAMA. The government also wants to conduct more effective follow-ups and audits of assistance efforts, as well as examine how well the Afghanistan Compact and the Afghanistan National Development Strategy (ANDS) are being implemented. The new Swedish aid strategy will place a greater emphasis on coordinating efforts with other donor actors and countries and on increasing Afghani ownership and leadership in the aid process.
- ¶7. (C) Sweden will seek a good balance between efforts that yield quick and tangible results for the poor and long-term efforts that strive to build capacity and strengthen institutions. This will require a well-coordinated and concentrated portfolio consisting of a few major efforts complemented by smaller, more flexible strategic efforts. The new strategy singles out the development of democratic institutions and processes, such as elections, Parliament, local and central administration, anti-corruption measures and transparency as additional key elements of Sweden's Afghanistan aid policy. The government has tasked the Folke

Bernadotte Academy with developing and presenting suggestions for capacity-building measures to the government, the Swedish International Development Cooperation Agency (Sida) and the Swedish Embassy in Kabul. Sida will decide which efforts to undertake and fund them, while the Folke Bernadotte Academy will implement the measures, primarily in northern Afghanistan. Sida seeks to strengthen its aid-related administrative system to permit a greater degree of decision-making in the field. Sida also intends to make greater use of the returning Afghan Diaspora, which Sida believes is a major resource that has not been sufficiently utilized

Areas of Focus

18. (C) Swedish aid will work to improve the human rights situation of women and girls in three main areas: sexual and reproductive health and rights; female civic engagement and influence; and gender-related violence. To achieve this, Sweden will provide greater access to quality education for women and girls at the local and central levels. Sweden is also considering funding programs to help physically challenged females and males attend school and improve the ability of adults, especially women, to read and write. Teacher education will also be examined in the new strategy. Sweden also intends to focus on developing a strong and varied private business sector by creating conditions favorable to promoting micro-entrepreneurs and small enterprises. Assistance will also aim at encouraging women to enter business whenever possible. These programs will focus on rural areas and agriculturally based activities, promote market development and improve the capacity of the Afghanistan business sector. The new strategy will strengthen the dialogue between private business and public administration and target risk groups, such as young men, to prevent conflict from spreading and counter recruiting by criminal elements. Sweden will examine the possibility of providing support for mine clearance and explosive ordinance disposal operations, as well as for preparations for catastrophes. The Swedish government controls humanitarian assistance and expects Sida's humanitarian efforts to be rapid, predictable, flexible and needs-based.

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- 19. (C) Sweden will not provide any general budget support during the five-year period. Any increase in assistance in this area will be channeled through the ARTF. Sweden will evaluate its fund for smaller efforts in northern Afghanistan that the Swedish embassy in Kabul co-manages with the Swedish-led PRT in Mazar-e-Sharif and possibly increase it if the evaluation shows that it has been effective. The government also plans to establish a similar fund for locally decided efforts throughout Afghanistan.
- 110. (C) Comment: U.S. and Swedish aid programs share many of the same challenges in Afghanistan, including the need to provide more Afghanis with tangible reconstruction and governance results. Post expects Sweden to seek closer cooperation with the U.S. regarding assistance to Afghanistan. Sweden is the world's largest donor as a percentage of Gross Domestic Product, and has approximately 450 troops in Afghanistan and some 10 police officers in EURPOL. Our Swedish interlocutors have told post that Sweden wants to do more in Afghanistan, and Foreign Minister Carl Bildt recently stated publicly that the EU can play a stronger role in Afghanistan, an issue that Bildt said he intends to pursue with the EU during the Swedish Presidency. SILVERMAN